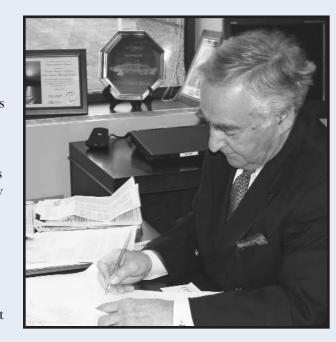
Disappointments of the 2006 Session

Jessica's Law

Senate Republicans stood united this year to pass legislation that would implement mandatory minimum sentences on the very worst criminals - those who prey on children. Our proposal was to pass a law modeled after the national "Jessica's Law" movement, which would require mandatory minimum sentences of 25 years in jail for those who sexually assault children under the age of 13. This legislation, which reflects the common sense values of most Connecticut citizens, was objected to on primarily party lines by Democrats who philosophically rejected the idea of mandatory minimum sentences. The Democrats' decision to ignore the rates of recidivism amongst a criminal population that is largely unresponsive to traditional rehabilitation was, I believe, a misstep and sends the wrong message about the state's commitment to remaining tough on crime. I strongly believe that crimes of this nature deserve the strictest of penalties, and I will continue to work to pass "Jessica's Law" here in Connecticut.

Eminent Domain

The single biggest disappointment of this legislative session was the Democrat majority's refusal to pass a Senate Republican proposal that would restrict eminent domain claims against private property in cases where the property is being taken for economic development. Eminent domain has many legitimate applications when justly applied, but I believe that taking people's homes and



giving them to private development entities is an abuse of the power that must be clearly forbidden in our state statutes. The Kelo case in New London sent shockwaves through the entire nation about the legal possibility of government seizing homes with dubious claims of "public good." As of this writing 20 states have gone forward and passed their own laws protecting their citizens against eminent domain abuses. The Senate Republicans proposed an amendment that would have protected Connecticut residents from having their homes seized for these purposes, but it was defeated on the floor of the Senate by a majority of Democrats, some of whom are employed by agencies that are in the business of using eminent domain for "economic development." The sad irony that Connecticut, the home of the Kelo case, still remains a haven for eminent domain abuse, is a troubling postscript to the session.

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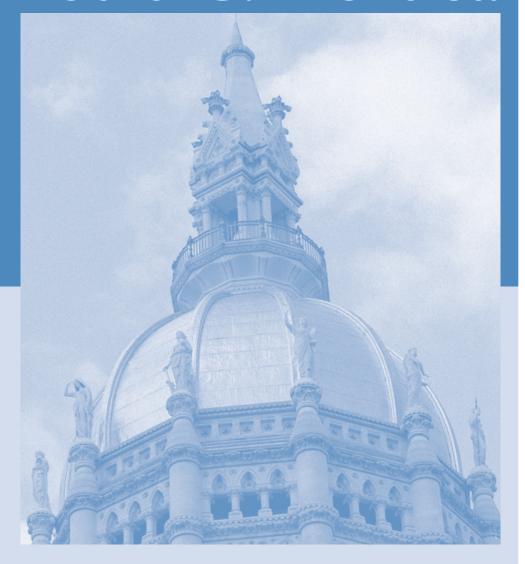
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2006 Legislative Report to the 32nd District

State Senator Louis C. DeLuca



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State Senator Louis C. DeLuca

Dear Neighbor,

The 2006 legislative session presented the General Assembly with the opportunity to take advantage of a surging economy and make real progress in the effort to improve Connecticut's business climate and bring some much needed tax relief to our residents. As leader of the Senate Republicans, I worked along with Governor Rell to pass a budget that



reduced corporate taxes, made investments in our transportation infrastructure, and increased the property tax exemption on personal income tax back to \$500. These were important steps forward in our ongoing effort to relieve the tax burden and encourage businesses to grow and expand in our state. A healthy economy is key to maintaining our quality of life in Connecticut, but we can only keep the economy strong if our corporate community knows that our state is a

friendly place to do business.

Owing to the nature of a short session, most of our efforts were focused on fiscal matters, but the legislature did have time to address some other important non-budgetary issues, including improvements to last year's controversial campaign finance "reform."

Unfortunately, Senate Republican efforts to pass "Jessica's Law" and eminent domain reform were lost in the closing hours of the session, as majority party Democrats used their parliamentary power to prevent these bills from being passed.

Please take a moment to read the enclosed information about the 2006 session, and feel free to contact my office should you have any questions about these or any other legislative issues.

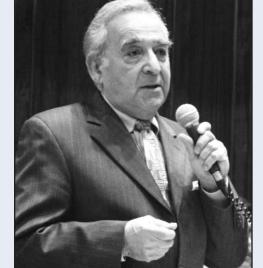


Helping Our Economy

The top priority for the Senate Republicans this legislative session was to improve Connecticut's business climate and stop the trend of losing companies that are forced to relocate to states with friendlier attitudes toward business. For too many years, legislative Democrats have proposed unfair and punitive anti-corporate measures, alienating our business community and making it difficult to keep jobs in the state. The worst of these measures, which include the so-called "pay or play" legislation, seek to punish corporations for being successful and unfairly paint them as the sole authors of society's ills. What the advocates of these misguided bills do not acknowledge is that even by just proposing this legislation, we create an environment of uncertainty that drives business, and the jobs they create, to other states that are eager to provide them with a new home.

Prior to this year's legislative session, I met with representatives from the state's business community, and they all agreed on one simple principle – the most effective way to help business is to stay out of the way and let them do what they do best. With that in mind, the Senate Republicans entered the session with the goal of preventing bad legislation such as "pay or play" from passing, and trying to undo

some of the harmful measures from the past few years.



Corporate Surcharge

In 2003 the legislature enacted an arbitrary "surcharge" on corporate tax returns that was meant as a temporary measure to help our state through a budgetary crisis. Unfortunately, this surcharge has remained on the books ever since, establishing an unfair tax policy that sent a loud message to our business community that the legislature is willing to create new taxes on business whenever it feels like it. This year,

however, Senate Republicans were able to negotiate for an immediate repeal of this surcharge in the final budget agreement, which we believe will encourage businesses to stay in Connecticut and create more jobs.



Senator DeLuca with the 4th grade class from the Bethlehem School who visited the Capitol to support their proposal to make the apple the state fruit.

Property Tax on Manufacturing Equipment

Perhaps the worst disincentive a state can enact against business growth and expansion is to create burdensome taxes on the very tools companies need to succeed. With a significant percentage of the state's residents employed in manufacturing jobs, it has become all the more troubling that this unpopular tax on manufacturing equipment continues to drive these companies to relocate to other states and countries. This year we were able to negotiate a phaseout of this tax over the next several years, a measure that will hopefully encourage our manufacturing industries to stay in the state. Although the Democrats voted down a Senate Republican proposal to immediately eliminate the property tax on manufacturing equipment, a measure that seemed to make a great deal of sense for our economy, we look at this phaseout as a necessary first step towards undoing the tax policy mistakes of the past.

Plan B

This session I led the effort to protect St. Mary's of Waterbury and the state's other Catholic Hospitals from a bill that would have forced them to dispense the so-called "Plan B" pill, even though it directly contradicts their religious teachings and 2000 years of traditional belief. The Catholic Hospitals do a tremendous job of providing health care services for their communities, not only as high quality immediate care facilities but also in providing uncompensated care to the poor and uninsured. This wrongheaded legislation would have infringed on their right to practice their religion, and sent a message that the state only protects religious freedoms when it is convenient. I believe the Catholic Hospitals deserve to be treated with the same respect we afford all religious groups, and I was pleased we were able to defeat this legislation before it became law.